

In the case of a private foundation organized before May 27, 1969, the percentage to be used to compute the foundation's minimum investment return under section 4942 of the Internal Revenue Code of 1954 for a taxable year beginning in calendar year 1975, has been changed from 5.5 percent to 6 percent. This change is due to the expiration of the transition period referred to in section 53.4942(a)-2(c)(5)(ii) of the Foundation Excise Tax Regulations. In the case of a private foundation organized after May 26, 1969, the applicable percentage remains at 6 percent. Henceforth the percentage for both new and old private foundations will be the same. If the percentage is to be changed for any subsequent year, it will be published by May 1st of such calendar year.